REMARKS

Claims 1-7 remain pending in the present application. The rejections set forth in the Office Action are respectfully traversed below.

Rejections under 35 USC § 103

Claims 1-7 were rejected under 35 U.S.C. §103(a) as being unpatentable over **Muller** (USP 4,597,752) in view of **Martin** (USP 5,062,597). However, it is submitted that these rejections and alleged motivation for combining the cited prior art references are improper and should be withdrawn, as explained below.

The stated rationale in the Office Action for motivation to combine Muller and Martin does not conclude the question of obviousness. It is merely a starting point to establish a prima facie case of obviousness. The Examiner must also consider the teachings in the prior art that goes against the suggested combination. For instance, a prior art reference must be considered in its entirety, i.e., as a whole, including portions that would lead away from the claimed invention. W.L. Gore & Associates, Inc. v. Garlock, Inc., 721 F.2d 1540, 220 USPQ 303 (Fed. Cir. 1983), cert. denied, 469 U.S. 851 (1984). Moreover, if proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification. In re Gordon, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984). Furthermore, if the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims prima facie obvious. In re Ratti, 270 F.2d 810, 123 USPQ 349 (CCPA 1959).

These principles that would defeat the alleged combination are also emphasized in the Manual of Patent Examining Procedure (MPEP). MPEP § 2145 is entitled "Consideration of Applicant's Rebuttal Arguments," subsection X is entitled "Arguing Improper Rationales for Combining References," and the further subsection D is entitled "References Teach Away from the Invention Render Prior Art Unsatisfactory for Intended Purpose." In particular, MPEP § 2145.X.D.2 further specifies that "References Cannot Be Combined Where Reference Teaches Away from Their Combination." Basically, it is improper to combine references where the references *teach away* from their combination. *In re Grasselli*, 713 F.2d 731, 743, 218 USPQ 769, 779 (Fed. Cir. 1983).

As set forth in the remarks of the previous Amendment dated October 10, 2003, the references themselves *teach away* from the alleged combination since they suggest either adding rotating brushes to manipulate the folds (Martin) or else the use of a *non-swinging* arm to manipulate the folds, where the length of the arm does *not* vary with the folding operation (Muller).

Martin's swing arm 11 is conventional, because Martin introduces this element by saying that it is "known per se" (column 2, line 58). To improve the operation of laying down folds, Martin provides "a unit 13 for flattening and retaining flaps on a pile being formed" (column 2, line 66). At the top of column 4, Martin explains, "The swinging unit [i.e., arm 11] alternately distributes the folding flaps to the assemblies 13 for flattening and retaining" and Martin goes on to describe the structure of the units 13, which are rotating brushes. At line 17 of column 4 Martin states that the units 13 have the function of "pressing down the folds."

Martin's units 13 also include a "hammer member 66" that further smoothes and compresses the folds (column 4, lines 35-55).

Martin teaches away from modifying a swinging arm, because it teaches use of a conventional swinging arm and relies entirely on the units 13 for improved folding. Muller also teaches away from a swinging arm, because its telescopically extensible paper guide (corresponding to an arm) is fixed to the frame at bottom and top.

Muller teaches the importance of an exact height of the telescopically extensible paper guide above the paper stack (column 2, lines 49-52) and the slow telescopic motion of its paper guide is not at all related to the alternation of folds of the web, but instead follows the increase of the height of the paper stack. Muller actually teaches that an arm should not vary in length with the folding motion.

The Office Action does not respond to these specific teachings that would *lead away* from the alleged combination. In view of such teaching away, the alleged combination essentially renders the prior art unsatisfactory for its intended purpose, as well as changing the principle of operation of the prior art being modified. Therefore, the alleged combination and modification of **Muller** and **Martin** are improper. For at least these reasons, the present claimed invention would not have been obvious over the teachings of **Muller** and **Martin**. Accordingly, these obviousness rejections should be withdrawn.

The Office Action also did not specifically respond to the Applicant's further arguments distinguishing claims 2, 3, and 5 from the cited prior art. As stated in the previous Amendment, claims 2 and 3 are further from the references than claim 1. As to claim 5, there is no error detection mechanism in **Martin**, only a device for changing the stacks of paper.

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For at least the reasons above, the present application patentably distinguishes over the

prior art and is in condition for allowance.

Request for Examiner's Interview

If the Examiner believes that this application is not now in condition for allowance, the

Examiner is hereby specifically requested to contact Applicant's undersigned attorney to arrange

for an interview.

In the event that this paper is not timely filed, Applicants respectfully petition for an

appropriate extension of time. Please charge any fees for such an extension of time and any

other fees which may be due with respect to this paper, to Deposit Account No. 50-2866.

Respectfully Submitted,

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